

CORRECTED FISCAL NOTE

HB 2910 - SB 3142

March 16, 1998

SUMMARY OF BILL: Increases the income threshold for elderly taxpayers for purposes of the Hall Income Tax from \$9,000 to \$10,000 for individual returns and from \$15,000 to \$16,000 for joint returns.

ESTIMATED FISCAL IMPACT:

On February 10, 1998, we issued a fiscal note on this bill that indicated that:

The impact of this bill is a decrease in state revenues less than \$100,000 and a decrease in local government less than \$37,500. This estimate assumes that the number of such taxpayers would be small and that the resulting decrease in revenues to both state and local governments would not be substantial.

The fiscal impact of this bill, based upon updated information provided to us by the Department of Revenue, is estimated to be:

Decrease State Revenues - \$120,000 - \$145,000

Decrease Local Govt. Revenues - \$75,000 - \$90,000

This estimate is based upon 1995 data and assumes:

- There were approximately 682 Hall Income taxpayers filing single in 1995 that had income between \$9,000 and \$10,000 and who paid a total of \$127,000 in Hall Income Tax;
- There were approximately 313 Hall Income taxpayers filing joint in 1995 that had income between \$15,000 and \$16,000 and who paid a total of \$63,000 in Hall Income Tax; and
- Estimate assumes approximately 5% growth per year in collections.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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